



GREEN OCEAN CORPORATION BERHAD

[Registration No: 200301029847 (632267-P)]

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Period Ended 31 December 2022

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		6 Months Ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM '000	RM '000	RM '000	RM '000
Revenue	538	989	1,511	1,849
Cost of sales	(569)	(959)	(1,521)	(1,789)
Gross (loss)/profit	(31)	30	(10)	60
Other income	393	162	616	366
Administrative expenses	(810)	(710)	(1,749)	(1,502)
Others	7,217	(7,346)	(677)	(11,511)
	6,407	(8,056)	(2,426)	(13,013)
Gain/(Loss) from operations	6,769	(7,864)	(1,820)	(12,587)
Finance costs	(3)	(3)	(6)	(7)
Share of result of joint venture	-	(1)	-	(2)
Gain/(Loss) before tax	6,766	(7,868)	(1,826)	(12,596)
Taxation	-	-	-	-
Net gain/(loss) for the period	6,766	(7,868)	(1,826)	(12,596)
Net gain/(loss) attributable to:-				
Owners of the Company	6,766	(7,868)	(1,826)	(12,596)
Total comprehensive gain/(loss) attributable to:-				
Owners of the Company	6,766	(7,868)	(1,826)	(12,596)
Gain/(Loss) per share				
Company (sen)				
- Basic	0.32	(0.37)	(0.09)	(0.63)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

GREEN OCEAN CORPORATION BERHAD
 [Registration No: 200301029847 (632267-P)]

Unaudited Condensed Consolidated Statements of Financial Position
As At 31 December 2022

	(Unaudited) As At 31.12.2022 RM '000	(Audited) As At 30.06.2022 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	26,731	20,061
Right-of-use assets	142	168
	26,873	20,229
Current assets		
Inventories	174	812
Investment in quoted securities	20,644	20,275
Trade receivables	886	3,798
Other receivables, deposits and prepayments	32,588	29,164
Tax assets	14	14
Money market instruments	25,695	41,325
Cash and bank balances	16,961	3,332
	96,962	98,720
TOTAL ASSETS	123,835	118,949
EQUITY AND LIABILITIES		
Equity		
Share capital	143,485	143,485
Warrant reserve	31,113	31,113
Revaluation reserve	8,930	8,930
Accumulated losses	(67,705)	(65,879)
Total equity	115,823	117,649
Liabilities		
Non-current liabilities		
Finance lease liabilities	223	250
Lease liabilities	99	124
Term Loan	6,426	-
Deferred tax liabilities	609	609
	7,357	983
Current liabilities		
Other payables & accruals	212	197
Amount owing to a Director	-	29
Finance lease liabilities	49	44
Lease liabilities	49	47
Term Loan	345	-
	655	317
Total liabilities	8,012	1,300
TOTAL EQUITY AND LIABILITIES	123,835	118,949
Net assets per share (Sen)	5.49	5.57

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

GREEN OCEAN CORPORATION BERHAD

[Registration No: 200301029847 (632267-P)]

**Unaudited Condensed Consolidated Statements of Changes in Equity
As At 31 December 2022**

	<----- Attributable to Owners of the Company ----->					Total Equity RM '000
	<----- Non-Distributable ----->			Distributable		
	Share Capital RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	
Unaudited						
At 1 July 2022	143,485	-	8,930	31,113	(65,879)	117,649
Comprehensive loss						
Loss for the period	-	-	-	-	(1,826)	(1,826)
Total comprehensive loss for the period	-	-	-	-	(1,826)	(1,826)
At 31 December 2022	143,485	-	8,930	31,113	(67,705)	115,823

GREEN OCEAN CORPORATION BERHAD

[Registration No: 200301029847 (632267-P)]

**Unaudited Condensed Consolidated Statements of Changes in Equity
As At 31 December 2022**

	<----- Attributable to Owners of the Company ----->					Total Equity RM '000
	<----- Non-Distributable ----->			Distributable		
	Share Capital RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	
<u>Audited</u>						
At 1 July 2021	135,494	-	8,930	31,113	(45,039)	130,498
Comprehensive loss						
Loss for the financial year	-	-	-	-	(20,840)	(20,840)
Total comprehensive loss for the financial year	-	-	-	-	(20,840)	(20,840)
Transactions with owners						
Issuance of shares pursuant to:						
- Private placements	8,129	-	-	-	-	8,129
Share issuance expense	(138)	-	-	-	-	(138)
Total transactions with owners	7,991	-	-	-	-	7,991
At 30 June 2022	143,485	-	8,930	31,113	(65,879)	117,649

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

Unaudited Condensed Consolidated Statements of Cash Flows
For the Period Ended 31 December 2022

	Current Period To-Date 31.12.2022 (Unaudited) RM'000	Preceding Year Corresponding Period 31.12.2021 (Unaudited) RM'000
Cash flows from operating activities		
Loss before tax	(1,826)	(12,596)
Adjustments for :-		
Depreciation of property, plant & equipment	452	418
Depreciation of right-of-use assets	25	-
Distribution income from money market instruments	(17)	(312)
(Gain)/Loss on fair value changes of:		
- Money market instruments	(362)	-
- Quoted securities	677	10,242
Finance costs	6	7
Loss on disposal of quoted securities	-	1,269
Interest income	(150)	(52)
Share of results in joint venture	-	2
Operating loss before changes in working capital	(1,195)	(1,022)
Changes in inventories	638	-
Changes in receivables	(512)	(11,440)
Changes in payables	15	(1,934)
Cash used in operations	(1,054)	(14,396)
Interest income received	150	52
Net tax (paid)/refund	-	-
Net cash used in operating activities	(904)	(14,344)
Cash flows from investing activities		
Distribution income from money market instruments	17	312
Net investment in quoted securities	(1,046)	(33,594)
Uplift/ (Placement) of money market instruments, net	15,992	19,963
Purchase of property, plant and equipment	(7,122)	(21)
Net cash from/ (used in) investing activities	7,841	(13,340)

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**Unaudited Condensed Consolidated Statements of Cash Flows
For the Period Ended 31 December 2022**

	Current Period To-Date 31.12.2022 (Unaudited) RM'000	Preceding Year Corresponding Period 31.12.2021 (Unaudited) RM'000
Cash flows from financing activities		
Proceeds from private placement	-	8,129
Share issuances expenses paid	-	(138)
Finance costs paid	(6)	(7)
Repayment Finance lease liabilities	(22)	(22)
Payment of lease liabilities	(23)	-
Repayment to Directors	(29)	-
Net drawdown/ (repayment) of term loan	6,772	-
Net cash from financing activities	6,692	7,962
Effects of exchange rate changes on cash and cash equivalents	-	-
Net increase/(decrease) in cash and cash equivalents	13,629	(19,722)
Cash and cash equivalents brought forward	3,332	26,058
Cash and cash equivalents carried forward	16,961	6,336
Represented by:-		
Cash and bank balances	1,858	6,336
Fixed deposits placed with licensed bank	15,103	-
	16,961	6,336

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2022**

A1) Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with Malaysia Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”), Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2022.

A2) Changes in Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2022.

MFRSs and/or IC Interpretations (Including Consequential Amendments) adopted for this interim financial report that do not have a material impact on the Group are set out below:

MFRS (Including the Consequential Amendments)	Effective Date
Amendments to MFRS 9, 139, 7, 4 and 16	Interest Rate Benchmark Reform – Phase 2 1 January 2021
Amendments to MFRS 16	Covid-19 – Related Rent Concessions Beyond 30 June 2021 1 April 2021

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2022**

A2) Changes in Accounting Policies (Cont'd)

Standards in issue but not yet effective

As at the date of authorisation of this interim financial report, the following new Malaysian Financial Reporting Standards ("MFRS") and amendments to MFRSs have been issued by the MASB but are not yet effective and have not been adopted by the Group: -

MFRSs/Amendments	MFRSs	Effective for annual periods beginning on or after
MFRS 17 and amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group will adopt the above MFRS and amendments to MFRS when they become effective in the respective financial periods.

A3) Seasonal or Cyclical Factors

The Group's operations were not subject to any significant seasonal or cyclical factors.

A4) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

A5) Material Changes in Estimates

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the current quarter under review.

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2022**

A6) Debt and Equity Securities

There was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period under review.

A7) Dividend Paid

There was no dividend paid in the current quarter under review.

A8) Valuation of Property, Plant and Equipment

There was no valuation exercise conducted on the property, plant and equipment of the Group during the quarter under review.

A9) Material Events During the Financial Period

There was no material event during the quarter under review.

A10) Material Events Subsequent to the end of the Financial Period

There was no material event subsequent to the end of the quarter under review.

A11) Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year-to-date under review.

A12) Contingent Liabilities or Contingent Assets

There are no contingent liabilities for the Group as of the date of this report.

A13) Capital Commitment

As of 31 December 2022, capital commitment is in respect of the acquisition of specialised machineries by subsidiaries of the Group: -

Approved and contracted for	RM'000 <u>50,180</u>
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A14) Related Party Transactions

There were no significant transactions with related parties during the current financial period.

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

A15) Fair Value Measurements

- (a) Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows: -

- Level 1: Input are quoted prices (unadjusted) in active market for identical assets and or liability that the entity can access at the measurement date;
 Level 2: Inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset and liability, either directly or indirectly; and
 Level 3: Inputs are unobservable inputs for the asset or liability.

- (b) The following table provides the fair value measurement hierarchy of the Group's financial instruments: -

<--- Fair value of financial instruments --->					
carried at fair value					
	Level 1	Level 2	level 3	Total	Carrying
	RM'000	RM'000	RM'000	RM'000	amount
					RM'000
Group - 31.12.2022					
Financial assets					
- Investment in quoted securities	20,644	-	-	20,644	20,644
- Investment in money market	25,695	-	-	25,695	25,695
	<u>46,339</u>	<u>-</u>	<u>-</u>	<u>46,339</u>	<u>46,339</u>
Group - 31.12.2021					
Financial assets					
- Investment in quoted securities	22,083	-	-	22,083	22,083
- Investment in money market	40,666	-	-	40,666	40,666
	<u>62,749</u>	<u>-</u>	<u>-</u>	<u>62,749</u>	<u>62,749</u>

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

A16) Revenue

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Sales of:				
(i) Gloves	308	989	864	1,849
(ii) Food & beverages	230	-	647	-
	<u>538</u>	<u>989</u>	<u>1,511</u>	<u>1,849</u>
Goods or services transferred at a point in time	<u>538</u>	<u>989</u>	<u>1,511</u>	<u>1,849</u>

A17) Segmental Information

The segmental information of the Group is presented by operating segments as follows: -

- (a) **Palm oil products** - palm kernel crushing, refining of palm oil and palm kernel oil and trading of refined palm oil products;
- (b) **Gloves** - glove-manufacturing and trading;
- (c) **Food & beverages** - trading in all kinds of foods and beverages;
- (d) **Others** - Investment holding and trading of biomass and alternative material, energy and fuels and services, neither which are of a sufficient size to be reported separately.

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

A17) Segmental Information (Cont'd)

Cumulative Period 6 Months Ended 31.12.2022

	Palm Oil Products RM'000	Gloves RM'000	Food & Beverages RM'000	Others RM'000	Adjustment & Elimination RM'000	Total RM'000
REVENUE						
External revenue	-	864	647	-	-	1,511
Inter-segment revenue	-	-	-	-	-	-
Total revenue	-	864	647	-	-	1,511
RESULTS						
Interest income	-	-	-	150	-	150
Finance cost	-	-	-	(6)	-	(6)
Segment loss before tax	(1,296)	(151)	(283)	(96)	-	(1,826)
Taxation	-	-	-	-	-	-
Segment loss after tax	(1,296)	(151)	(283)	(96)	-	(1,826)
Other material non-cash items:-						
- Depreciation of property, plant and equipment	(354)	(36)	-	(62)	-	(452)
- Depreciation of right-to-use assets	-	(4)	-	(21)	-	(25)
- Fair value gain on money market instruments	-	-	-	362	-	362
- Fair value loss on quoted securities	(677)	-	-	-	-	(677)

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

A17) Segmental Information (Cont'd)

Cumulative Period 6 Months Ended 31.12.2021

	Palm Oil Products RM'000	Gloves RM'000	Food & Beverages RM'000	Others RM'000	Adjustment & Elimination RM'000	Total RM'000
REVENUE						
External revenue	-	1,849	-	-	-	1,849
Inter-segment revenue	-	-	-	-	-	-
Total revenue	-	1,849	-	-	-	1,849
RESULTS						
Interest income	-	-	-	52	-	52
Finance cost	-	-	-	(7)	-	(7)
Share of loss of ssociate	-	-	-	-	(2)	(2)
Segment (loss)/gain before tax	(12,364)	25	-	(255)	(2)	(12,596)
Taxation	-	-	-	-	-	-
Segment loss after tax	(12,364)	25	-	(255)	(2)	(12,596)
Other material non-cash items:-						
- Depreciation of property, plant and equipment	(361)	-	-	(57)	-	(418)
- Loss from disposal of quoted securities	(1,269)	-	-	-	-	(1,269)
- Fair value loss on quoted securities	(10,242)	-	-	-	-	(10,242)

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

B1) Review of Performance

Individual Period (Quarter 2)	Current	Preceding year	Changes	
	Quarter 31.12.2022 RM'000	Corresponding Quarter 31.12.2021 RM'000	RM'000	%
Revenue				
Palm oil products	-	-	-	-
Gloves	308	989	(681)	(68.9)
Food & beverages	230	-	230	100.0
Others	-	-	-	-
	538	989	(451)	(45.6)
Loss before tax				
Palm oil products	6,914	(7,690)	14,604	(189.9)
Gloves	(65)	(1)	(64)	(100.0)
Food & beverages	(53)	-	(53)	(100.0)
Others	(30)	(176)	146	(83.0)
Share of result of joint venture	-	(1)	1	(100.0)
	6,766	(7,868)	14,634	(186.0)

Current Quarter

The Group posted revenue of RM0.54 million for the current quarter ended 31 December 2022, 45.6% lower as compared to RM0.99 million recorded in the correspondence quarter ended 31 December 2021. The decrease in glove revenue was mainly due to lower order from the customers. However, the decrease in gloves revenue was offset with the contribution in revenue from food and beverages segment of RM0.23 million.

The Group recorded pre-tax gain of RM6.77 million for the current quarter as compared to RM7.87 million pre-tax loss in the correspondence quarter. Palm oil products segment reported a pre-tax gain of RM6.91 million mainly due to gain on fair value changes of quoted securities of RM7.22 million (Q2 FY2022: RM7.89 million loss on fair value changes of quoted securities).

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

B1) Review of Performance (Cont'd)

Cumulative Period (Quarter 2)	Current Year to-date 31.12.2022	Preceding year Corresponding Quarter 31.12.2021	Changes	
	RM'000	RM'000	RM'000	%
Revenue				
Gloves	864	1,849	(985)	(53.3)
Food & beverages	647	-	647	100.0
	<u>1,511</u>	<u>1,849</u>	(338)	(18.3)
Loss before tax				
Palm oil products	(1,296)	(12,364)	11,068	(89.5)
Gloves	(151)	25	(176)	(704.0)
Food & beverages	(283)	-	(283)	(100.0)
Others	(96)	(255)	159	(62.4)
Share of result of joint venture	-	(2)	2	(100.0)
	<u>(1,826)</u>	<u>(12,596)</u>	10,770	(85.5)

Cumulative Period

The Group posted revenue of RM1.51 million for the cumulative quarter ended 31 December 2022, which was RM0.34 million or 18.3% lower than the corresponding cumulative quarter. The decrease in revenue was mainly attributable to decrease in orders from the gloves segment of RM0.99 million which was offset with the sale from food & beverage segment of RM0.65 million.

The Group recorded pre-tax loss of RM1.83 million for the cumulative quarter ended 31 December 2022 as compare to RM12.60 million in the corresponding cumulative quarter. Loss before tax in palm oil products consisted of loss on fair value changes of quoted shares of RM0.68 million and depreciation of property, plant and equipment of RM0.35 million (Q2 FY2022: loss on fair value changes of quoted securities of RM10.24 million and loss from disposal of quoted shares of RM1.27 million).

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

B2) Variation of Results against Immediate Preceding Quarter

	Current Quarter 31.12.2022 RM'000	Immediate Preceding Quarter 30.09.2022 RM'000	Changes	
			RM'000	%
Revenue				
Palm oil products	-	-	-	-
Gloves	308	556	(248)	(44.6)
Food & beverages	230	417	(187)	(44.8)
Others	-	-	-	-
	<u>538</u>	<u>973</u>	(435)	(44.7)
Loss before tax				
Palm oil products	6,914	(8,210)	15,124	(184.2)
Gloves	(65)	(86)	21	(24.4)
Food & beverages	(53)	(230)	177	(77.0)
Others	(30)	(66)	36	(54.5)
Share of result of joint venture	-	-	-	-
	<u>6,766</u>	<u>(8,592)</u>	15,358	(178.7)

The Group posted revenue of RM0.54 million for the current quarter ended 31 December 2022, representing a decrease of 44.7% as compared to RM0.97 million recorded in the preceding quarter ended 30 September 2022. The decrease in revenue was mainly attributable to decrease in orders from the gloves segment. Food & beverage segment also recorded a decrease of 44.8% in revenue mainly due to lower sale orders in the quarter under review.

The Group recorded pre-tax gain of RM6.77 million for the current quarter as compared to pre-tax loss of RM8.60 million recorded in the preceding quarter. Palm oil segment reported a pre-tax gain of RM6.91 million mainly due to gain on fair value changes of quoted securities of RM7.22 million (Q1 FY2023: loss on fair value changes of quoted securities of RM7.89 million).

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2022**

B3) Prospects

The Group expects in near term, the glove business environment remains challenging. The widening supply-demand gap will continue to drag down prices. Gloves will steady slide in sales, in terms of quantity and prices.

The glove sector is expected to see a structural step-up in demand in the longer term with increased glove usage as general protection against viruses and other diseases due to higher awareness of hygiene and health consciousness. Disposable gloves remain an essential item in the medical sector with no viable replacement and the demand is recurring in nature. The Group remains positive on the glove business and will continue to focus on trading of glove products.

Food and beverage is a new segment to the Group and is expected contribute to the future earnings to the Group.

To ensure the business sustainability and adaptability amidst the more challenging business landscape, the Group will continue to emphasize cost rationalism and operational efficiency across the operations, to ensure that the Group's performance is improving.

B4) Profit forecast or profit guarantee

Not applicable as the Group did not publish any profit forecast.

B5) Qualification of Annual Financial Statements

The preceding year annual audited financial statements were not subject to any qualification.

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

B6) Loss Before Tax

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Included in the loss before tax is after (crediting)/charging: -				
Depreciation of property, plant & equipment	244	208	452	418
Depreciation of right-to-use assets	12	-	25	-
Distribution income from money market instruments	(7)	(142)	(17)	(312)
(Gain)/Loss on fair value changes of:				
- Money market instruments	(187)	-	(362)	-
- Quoted securities	(7,217)	7,346	677	10,242
Finance costs	3	3	6	7
Loss on disposal of quoted securities	-	-	-	1,269
Interest income	(112)	(20)	(150)	(52)

B7) Taxation

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Corporate tax expense	-	-	-	-
Deferred tax expense				
Underprovision in prior year	-	-	-	-
Corporate tax expense	-	-	-	-
	-	-	-	-

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

B8) Status of Corporate Proposals

Save as disclosed below, there were no other corporate proposals announced but not completed at the latest practicable date which is not earlier than seven (7) days from the date of issue of this interim financial report: -

- 1) On 4 January 2021, the Company completed a Rights Issue with Warrants exercise following the listing and quotation of 828,573,600 new ordinary shares of RM0.10 each together with 621,430,198 Warrants B. The Company raise cash proceeds of RM82.86 million and the summary of the utilisation of proceeds up to the date of this interim financial report are as follows: -

Purpose	Proposed utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000	Estimated timeframe for the utilisation of proceeds
Repayment of bank borrowings	7,300	(7,300)	-	Within 6 months
Refurbishment of existing factory building for the gloves business	15,000	(2,097)	12,903	By 3 July 2023
Capital expenditure for the gloves business	41,100	(15,000)	26,100	By 3 January 2024
Working capital for the gloves business	18,557	(16,901)	1,656	By 3 January 2024
Estimated expenses for the corporate exercise	900	(900)	-	Immediate
Total	82,857	(42,198)	40,659	

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

B8) Status of Corporate Proposals (Cont'd)

- 2) On 27 August 2021, the Company completed Private Placement Exercise following the listing and quotation of 351,932,000 new ordinary shares at issue price of RM0.0231 each on the ACE Market of Bursa Securities. The Company raised cash proceeds of RM8.13 million and the summary of the utilisation of proceeds up to the date of this interim financial report are as follows: -

Purpose	Proposed utilisation RM'000	Amount utilised RM'000	Reallocation RM'000	Balance unutilised RM'000	Estimated time frame for the utilisation of proceeds
Capital expenditure for the Gloves Business	7,634	-	357	7,991	Within 36 months
Estimated expenses for the corporate exercise	495	(138)	(357)	-	Immediate
Total	8,129	(138)	-	7,991	

B9) Material Litigation

There were no material litigations against the Group as at the date of the interim financial report. The directors of the Group do not have any knowledge of any proceeding pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2022**

B10) Borrowings and Debts Securities

	Non-Current RM'000	Current RM'000	Total RM'000
As at 31.12.2022			
<u>Secured</u>			
Finance lease payables	223	49	272
Term loans	6,426	345	6,771
	6,649	394	7,043
As at 31.12.2021			
<u>Secured</u>			
Finance lease payables	276	42	318
Term loans	-	-	-
	276	42	318
	31.12.2022	31.12.2021	
	%	%	
The weighted average interest rate are as follows:			
Finance lease payables	2.28%	2.28%	
Term loan	3.75%	-	
Proportion of borrowing between:			
Fixed interest rates	4%	100%	
Floating interest rates	96%	-	
	100%	100%	

All the borrowings are denominated in Ringgit Malaysia

B11) Dividend

There was no dividend declared or paid for the current period under review.

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2022**

B12) Gain / (Loss) per Share

The basic and diluted loss per share are computed as follows: -

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	6 Months Ended	6 Months Ended
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM '000	RM '000	RM '000	RM '000
Gain/(Loss) attributable to the owners of the Company	6,766	(7,868)	(1,826)	(12,596)
Weighted average number of Ordinary shares ('000)	2,111,592	2,111,592	2,111,592	2,002,570
Gain/(Loss) per share (sen):				
Basic and diluted	<u>0.32</u>	<u>(0.37)</u>	<u>(0.09)</u>	<u>(0.63)</u>

Note:

The diluted loss per share is equivalent to the basic loss per share as the Company's warrants and share options had an anti-dilutive effect on the basic loss per share.

By Order of the Board

WONG YUET CHYN (MAICSA 7047163)
Company Secretary
Kuala Lumpur
27 February 2023